

STATE OF SOUTH CAROLINA

(Caption of Case)

**Mutual EAC Traffic Exchange Agreement
between Chesnee Telephone Company, Inc. and
MCImetro Access Transmission Services, LLC**

**BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
COVER SHEET**

DOCKET

NUMBER: _____ - _____ - _____

(Please type or print)

Submitted by: Margaret M. Fox

SC Bar Number: 65418

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Other: _____

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NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ **Emergency Relief demanded in petition** ☐ **Request for item to be placed on Commission's Agenda expeditiously**

☐ **Other:** _____

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input checked="" type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input checked="" type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report	

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November 5, 2007

VIA HAND DELIVERY

Mr. Charles L. A. Terreni
Chief Clerk and Administrator
South Carolina Public Service Commission
Synergy Business Park, The Saluda Building
101 Executive Center Drive
Columbia, South Carolina 29210

**Re: Mutual EAC Traffic Exchange Agreement between
Chesnee Telephone Company, Inc. and MCImetro
Access Transmission Services, LLC**

Dear Mr. Terreni:

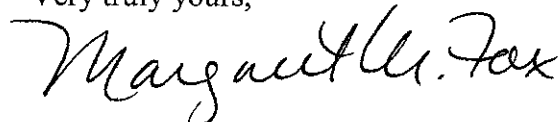
Enclosed for filing please find two (2) copies of the Mutual EAC Traffic Exchange Agreement between Chesnee Telephone Company, Inc. and MCImetro Access Transmission Services, LLC.

This document is an exact duplicate, with the exception of the form of the signature, of the e-filed copy submitted to the Commission in accordance with its electronic filing instructions.

Please clock in a copy of this Agreement and return it with our courier.

Thank you for your assistance.

Very truly yours,



Margaret M. Fox

MMF/rwm
Enclosures

cc: Annette Williams

MUTUAL EAC TRAFFIC EXCHANGE AGREEMENT

This Mutual EAC Traffic Exchange Agreement ("Agreement") is effective as of the 1st day of September 2007 (the "Effective Date"), by and between Chesnee Telephone Company ("Chesnee") with offices at 208 South Alabama Avenue, P.O. Box 430, Chesnee, SC 29323 and MCImetro Access Transmission Services LLC¹ ("CLEC") with offices at 22001 Loudoun County Parkway, Ashburn, VA 20147. "Party" means either CLEC or Chesnee, and "Parties" means CLEC and Chesnee.

WHEREAS, CLEC is a Competitive Local Exchange Carrier authorized by the South Carolina Public Service Commission to provide telecommunications services within its certified area in the State of South Carolina; and

WHEREAS, Chesnee is an Incumbent Local Exchange Carrier in the State of South Carolina; and

WHEREAS, CLEC and Chesnee exchange telecommunications traffic between their networks and wish to establish an arrangement for exchange of such traffic between their networks; and

NOW, THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, CLEC and Chesnee hereby agree as follows:

1.0 DEFINITIONS

As used in this Agreement, the following terms shall have the meanings specified below:

- 1.1 "Act", as used in this Agreement, means the Communications Act of 1934 (47 U.S.C. Section 151 *et seq.*), as amended, and as from time to time interpreted in the duly authorized rules and regulations of the Federal Communications Commission ("FCC") or the Commission.
- 1.2 "Commission" means the South Carolina Public Service Commission.
- 1.3 "Common Channel Signaling" (*i.e.*, "SS7" or "CCS") A method of transmitting call set-up and network-control data over a digital signaling network separate from the public switched telephone network facilities that carries the actual voice

¹ See Appendix B – MCImetro Letter -Reorganization Activities

or data content of the call. Chesnee and CLEC currently utilize this out-of-band signaling protocol.

- 1.4 "End User Customer" means the residence or business subscriber that is the ultimate user of Telecommunications Services provided directly to such subscriber by either of the Parties or through a Party by a Last Mile Provider.
- 1.5 "Extended Area Calling Traffic" or "EAC Traffic" is defined for all purposes under this Agreement as telecommunications traffic that is originated by an end user customer of one Party, that is physically located in one Exchange, and terminates to an end user customer of the other Party, that is physically located in another Exchange, where the originating and terminating Exchanges have EAC between them. EAC Exchanges are listed in Appendix A to this Agreement.
- 1.6 "Information Service" shall be as defined in the Act. (47 U.S.C. §153(20)).
- 1.7 "Interexchange Toll Traffic" is defined for all purposes under this Agreement as all telecommunications traffic that originates from CLEC end user customers and terminates to Chesnee end user customers that is not included within the definition of EAC Traffic as defined in Chesnee's General Subscriber Service Tariff. EAC Exchanges are listed in Appendix A to this Agreement. Interexchange Toll Traffic specifically excludes telecommunications traffic that is routed through IXC's.
- 1.8 "Internet Protocol Connection" ("IPC") is the physical location where end-user information is originated or terminated utilizing internet protocol.
- 1.9 "ISP-Bound Traffic" is defined solely for purpose of this Agreement as traffic that originates from or is directed, either directly or indirectly, to or through an Enhanced Service Provider ("ESP") or Internet Service Provider ("ISP") and is billed to the end user customer as a local call; provided that the POI is established as set forth in Section 3.1.1 and the compensation is established as set forth in Section 3.1.2.
- 1.10 "Jurisdictional Indicator Parameter" or "JIP" is a six-digit number which provides a unique identifier representing the originating carrier. JIP is defined in the Alliance for Telecommunications Industry Solutions Reference Document ATIS-0300011.
- 1.11 "Last Mile Provider" is a carrier that provides non-nomadic services via a physical wireline connection between the End User Customer and CLEC and has an agreement with CLEC. The Last Mile Provider is a carrier that is subject to all applicable regulatory charges, including but not limited to, USF and 911 payment obligations.

- 1.12 "Point(s) of Interconnection" or "POI(s)" means the physical location(s) within Chesnee's network, at which the Parties' networks meet for the purpose of exchanging EAC Traffic and ISP-Bound Traffic.
- 1.13 "Telecommunications Service" is as defined in 47 U.S.C. §153(46).
- 1.14 "Telecommunications Traffic" is as defined in 47 C.F.R. §51.701(b)(1).
- 1.15 "VoIP or IP-Enabled Traffic" means any IP-enabled, real-time, multidirectional voice call, including, but not limited to, service that mimics traditional telephony. For purposes of this Agreement, VoIP or IP-Enabled Traffic includes:
- (i) Voice traffic originating on Internet Protocol Connection (IPC), and which terminates on the public switched telephone network (PSTN); and
 - (ii) Voice traffic originated on the PSTN, and which terminates on ICP.

2.0 SCOPE

- 2.1 Chesnee and CLEC agree to mutually exchange traffic between their respective networks and enter into an arrangement accordingly, whereby EAC Traffic and ISP-Bound Traffic, that is originated on Chesnee's or CLEC's network by Chesnee's End User Customers or CLEC's End User Customers respectively and is terminated to a Chesnee or CLEC End User Customer can be completed. In order to accomplish this in an appropriate manner, the Parties agree to the following terms and conditions contained in this Agreement.
- 2.2 CLEC has interconnected with ILEC under Section 251 of the Act and may therefore offer Information Services through the same arrangement, so long as it is offering Telecommunications Services through the same arrangement as well. The FCC has not determined whether VoIP or IP-Enabled Traffic is a Telecommunications Service or an Information Service. For the purposes of this Agreement, VoIP or IP-Enabled Traffic shall be treated as Telecommunications Service voice traffic. If the FCC determines that any type of VoIP or IP-Enabled Traffic is not subject to interconnection requirements that are the same as those applicable to Telecommunications Services in all material respects, the terms of this Agreement shall remain in effect until such time as this Agreement is modified under the change in law provisions of Section 12.6 of this Agreement.
- 2.3 Chesnee has no obligation to establish interconnection service arrangements to enable CLEC to solely exchange Interexchange Toll Traffic. The Parties agree that they will use this arrangement for the sole purpose of exchanging EAC Traffic and ISP-Bound Traffic and that any exchange of toll traffic will be subject to the appropriate access per each Party's tariffs.

- 2.4 Each Party is responsible for all traffic that it delivers to the other Party, including but not limited to, voice traffic, VoIP or IP-Enabled Traffic, ISP-Bound Traffic and toll traffic. Each Party shall not provision any of its services in a manner that permits the circumvention of applicable switched access charges, by it or a Last Mile Provider. Each Party agrees to be responsible and pay for its portion of the Interconnection Facilities, Reciprocal Compensation and Access Charges associated with all traffic that it terminates to the other Party. In addition, each Party is required to comply with any technical requirements imposed by the FCC or state commission regarding the exchange of such traffic.
- 2.5 The Parties understand and agree that this Agreement will permit a Party to provide a wholesale service to a Last Mile Provider; however, under no circumstances shall such wholesale services be deemed, treated or compensated as a transit service. The Parties stipulate that this Agreement does not govern any transiting services and that neither Party will provide any transiting functions under this Agreement. For purposes of this Agreement, CLEC's indirect service for traffic exchange is considered to be the provision of end office switching functions for the Last Mile Provider so it is not entitled to bill and Chesnee is not obligated to pay any transit charges for such traffic.
- 2.6 For the purposes of this Agreement, the originating point of the VoIP/IP-Enabled traffic for the purpose of jurisdictionally rating traffic is the physical location of the calling party, *i.e.* the geographical location of the IPC. Signaling information associated with VoIP/IP-Enabled traffic must comply with Sections 3.3.3 and 3.3.4 of this Agreement.
- 2.7 Both Parties shall adhere to the North American Numbering Plan as described by the Industry. Each Party shall route EAC and ISP-Bound Traffic from its network to the other Party's network over the dedicated transport facilities. Each Party shall be responsible for updating the LERG to reflect the NPA-NXX codes assigned to that Party.

3.0 SERVICE ARRANGEMENT

3.1 EAC Traffic and ISP-Bound Traffic:

- 3.1.1 The Parties agree to exchange ISP-Bound Traffic and EAC Traffic over dedicated transport facilities between their networks. CLEC shall obtain dedicated transport facilities between Chesnee's end office in Chesnee (the "POI") and CLEC's network and shall be responsible for all costs related to establishing and provisioning such dedicated transport facilities on CLEC's side of the POI. A meeting, via conference call, to discuss the implement of the dedicated transport facilities will be scheduled within one week after execution of this Agreement.
- 3.1.2 Chesnee and CLEC agree to only route EAC Traffic and ISP-Bound Traffic as defined herein over the dedicated transport facilities. Both Parties agree that compensation for EAC Traffic and ISP-Bound Traffic shall be in the form of the

mutual exchange of services provided by the other Party with no additional billing related to exchange of such traffic issued by either Party.

- 3.1.3 Chesnee agrees to include an NPA/NXX assigned to CLEC in its EAC calling scope to the same extent as any other NPA/NXX in the same rate center, when there is dedicated transport facilities between the Parties and such facilities can be utilized to complete EAC and ISP-Bound Traffic calls. In addition, the rating and routing point assigned to CLEC's NPA/NXX should also be the EAC exchange.

3.2 Interexchange Toll Traffic:

Interexchange Toll Traffic will be routed in accordance with Telcordia Traffic Routing Administration instructions and will not be routed over the dedicated transport facilities. Chesnee is an access provider and hands off all Interexchange Toll Traffic to IXC's. However, if either Party does send Interexchange Toll Traffic over the dedicated transport facilities, such traffic shall be subject to the terminating Party's access charges, in accordance with that Party's applicable access tariff. Each Party shall be responsible for payment of such access charges billed by the other Party.

3.3 Physical Connection:

- 3.3.1 Facility Sizing: The Parties will mutually agree on the appropriate sizing for transport facilities. The capacity of transport facilities provided by each Party will be based on mutual forecasts and sound engineering practice, as mutually agreed to by the Parties. CLEC will order trunks in the agreed upon quantities *via* an Access Service Request.
- 3.3.2 Interface Types: If the POI has an electrical interface, the interface will be DS1 or DS3 as mutually agreed by the Parties. When a DS3 interface is agreed to by the Parties, Chesnee will provide any multiplexing required for DS1 facilities or trunking at their end and CLEC will provide any DS1 multiplexing required for facilities or trunking at their end.
- 3.3.3 Signaling: The Parties will connect their networks using SS7 signaling as defined in applicable industry standards including ISDN user part ("ISUP") for trunk signaling. CPN shall be available for at least 90% of the calls. Signaling information shall be shared between the Parties at no charge to either Party.
- 3.3.4 Signaling Parameters: ILEC and CLEC are required to provide each other with the proper signaling information (e.g. originating accurate Calling Party Number, and destination called party number, etc.) pursuant to 47 C.F.R. § 64.1601, to enable each Party to issue bills in an accurate and timely fashion. All Common Channel Signaling (CCS) signaling parameters will be provided, including CPN,

Originating Line, Calling party category, Charge Number, etc. All privacy indicators will be honored.

3.3.5 The Parties will prorate unidentified traffic by jurisdiction according to the identified traffic. The Parties will coordinate and exchange data as necessary to determine the cause of the CPN or JIP failure (where the provision of JIP was attempted) and to assist its correction.

3.3.6 An accurate Calling Party Number ("CPN") associated with the End User Customer originating the call must be provided, where technically feasible. An accurate CPN is:

3.3.6.1 CPN that is a dialable working telephone number, that when dialed, will reach the End User Customer to whom it is assigned, at that End User Customer's Location.

3.3.6.2 CPN that has not been altered.

3.3.6.3 CPN that is not different than the originating number.

3.3.6.4 CPN that follows the North American Numbering Plan Standards and where the NPA/NXX-X of the CPN can be identified in the LERG as an assigned NPA/NXX-X.

3.3.6.5 CPN that is assigned to an active End User Customer.

3.3.6.6 CPN that is associated with the Rate Center of the specific End User Customer Location.

3.3.7 The terminating Party (that is, the Party to whom Traffic is sent) shall be responsible for creating or obtaining any billing records needed in order to bill the originating Party. Measurement of minutes of use shall be in actual conversation seconds. Each Party shall calculate the number of minutes of traffic it terminates from the other Party based on standard automatic message accounting records made within that Party's network.

3.3.8 Equipment Additions: Where additional equipment is required, such equipment will be obtained, engineered, and installed on the same basis and with the same intervals as any similar growth job for the Parties' internal customer demand.

3.4 Grade of Service:

Each Party will provision their network to provide designed blocking objective of a P.01.

3.5 Network Management:

- 3.5.1 Protective Controls: Either Party may use protective network traffic management controls such as 7-digit and 10-digit code gaps on traffic toward each other's network, when required to protect the public switched network from congestion or failure, or focused overload. CLEC and Chesnee will immediately notify each other of any protective control action planned or executed.
- 3.5.2 Mass Calling: Both Parties will cooperate and share pre-planning information regarding cross-network call-ins expected to generate large or focused temporary increases in call volumes. The Parties agree that the promotion of mass calling services is not in the best interest of either Party. If one Party's network is burdened repeatedly more than the other Party's network, the Parties will meet and discuss the cause and impact of such calling and will agree on how to equitably share the costs and revenues associated with the calls and on methods for managing the call volume.
- 3.5.3 Network Harm: Neither Party will use any service related to or provided in this Agreement in any manner that interferes with third parties in the use of their service, prevents third parties from using their service, impairs the quality of service to other carriers or to either Party's Customers; causes electrical hazards to either Party's personnel, damage to either Party's equipment or malfunction of either Party's billing equipment (individually and collectively, "Network Harm"). If a Network Harm will occur or if a Party reasonably determines that a Network Harm is imminent, such Party will, where practicable, notify the other Party that temporary discontinuance or refusal of service may be required, provided, however, wherever prior notice is not practicable, such Party may temporarily discontinue or refuse service forthwith, if such action is reasonable under the circumstances. In case of such temporary discontinuance or refusal, such Party will:
- 3.5.3.1. Promptly notify the other Party of such temporary discontinuance or refusal;
 - 3.5.3.2. Afford the other Party the opportunity to correct the situation which gave rise to such temporary discontinuance or refusal; and
 - 3.5.3.3. Inform the other Party of its right to bring a complaint to the Commission, the FCC, or a court of competent jurisdiction. (8-30-04 NSE)

4.0 CHARGES, PAYMENT AND BILLING

- 4.1 To the extent a Party provides services for which compensation is due hereunder, such Party shall send an invoice, on a monthly basis, reflecting the calculation of charges due for services provided under this Agreement.
- 4.2 The Parties agree that disputed and undisputed amounts due under this Agreement shall be handled as follows:
- 4.2.1 If any portion of an amount due to a Party (the "Billing Party") under this Agreement is subject to a bona fide dispute between the Parties, the Party billed (the "Disputing Party") shall, within one year of its receipt of the invoice containing such disputed amount, give written notice to the Billing Party of the amounts it disputes ("Disputed Amounts") and include in such notice the specific details and reasons for disputing each item. The Disputing Party shall pay when due all undisputed amounts to the Billing Party. The Parties will work together in good faith to resolve issues relating to the disputed amounts. If the dispute is resolved such that payment or refund of the disputed amount is required by either Party, the Party owing the payment or refund shall pay the full disputed amount with one and one half per cent (1½%) interest per month. In addition, the Billing Party may initiate a complaint proceeding with the appropriate regulatory or judicial entity, if unpaid undisputed amounts become more than 90 days past due, provided the Billing Party gives an additional 30 days notice and opportunity to cure the default.
- 4.2.2 Any undisputed amounts not paid when due shall accrue interest from the date such amounts were due at the lesser of (i) one and one-half percent (1½%) per month or (ii) the highest rate of interest that may be charged under South Carolina's applicable law.
- 4.2.3 Undisputed amounts shall be paid within thirty (30) days of receipt of invoice from the Billing Party. If the payment due date is a Saturday, Sunday or a designated bank holiday, payment shall be made the next business day.
- 4.3 Upon termination or expiration of this Agreement in accordance with Section 8:
- (a) Each Party shall comply immediately with its obligations as set forth within this Agreement;
- (b) Each Party shall promptly pay all amounts (including any late payment charges) owed under this Agreement;
- (c) Each Party's indemnification obligations and confidentiality obligations shall survive termination or expiration of this Agreement.

- 4.4 The Parties shall each perform traffic recording and identification functions necessary to provide the services contemplated hereunder. Each Party shall calculate minutes of use based on standard automatic message accounting records made within each Party's network. The records shall contain ANI or service provider information necessary to identify the individual Party.

5.0 AUDIT AND REVIEW

- 5.1 Each Party is responsible for the accuracy of its data as submitted to the other Party. Upon reasonable written notice, each Party or its authorized representative shall have the right to conduct annual reviews of the relevant data possessed by the other Party to give assurance of compliance with the provisions of this Agreement. These reviews will consist of any examinations and verification of data involving records, systems, procedures and other information related to the services performed by either Party related to charges or payments made in connection with this Agreement. Each Party's right to access information for verification purposes is limited to data not in excess of twelve (12) months in age. The Party requesting a verification review shall fully bear its own costs associated with conducting a review. The Party being reviewed will provide access to necessary and applicable information at no charge to the reviewing Party during normal business hours.
- 5.2 Each Party may request to inspect, during normal business hours, the records which are the basis for any monthly bill issued by the other Party and to request copies thereof provided that the requested records do not exceed twelve (12) months in age from the date the monthly bill containing said record information was issued. This section shall not create a record retention requirement, and any records provided only need be provided in the format in which they are stored.

6.0 NOTICE OF CHANGES

If a Party contemplates a change in its network, which it *reasonably* believes will materially affect the inter-operability of its network with the other Party, the Party making the change shall provide at least ninety (90) days advance written notice of such change to the other Party.

7.0 GENERAL RESPONSIBILITIES OF THE PARTIES

- 7.1 The Parties are each solely responsible for participation in and compliance with national network plans, including The National Network Security Plan and The Emergency Preparedness Plan. Neither Party shall use any service related to or use any of the Services provided in this Agreement in any manner that prevents other persons from using their service or destroys the normal quality of service to other carriers or to either Party's customers, and subject to notice and a reasonable

opportunity of the offending Party to cure any violation, either Party may discontinue or refuse service if the other Party violates this provision.

- 7.2 Each Party is solely responsible for the services it provides to its customers and to other Telecommunications Carriers.
- 7.3 Each Party is responsible for obtaining Local Exchange Routing Guide ("LERG") listings of the Common Language Location Identifier ("CLLI") assigned to its switches.
- 7.4 Each Party shall be responsible for its own independent connections to the 911/E911 network.

8.0 TERM AND TERMINATION

- 8.1 Subject to the provisions of Section 13, the initial term of this Agreement shall be for a one-year term ("Term"), which shall commence on the Effective Date. This Agreement shall automatically renew for successive six-month periods, unless, not less than one hundred twenty (120) days prior to the end of the Term or any renewal term, either party notifies the other party in writing of its intent to renegotiate a new agreement.
- 8.2 If either Party requests the negotiation of a successor agreement pursuant to 47 U.S.C. §§ 251-252, during the period of negotiation of the successor agreement each Party shall continue to perform its obligations and provide the services described herein. During the pendency of said re-negotiations, the rates, terms and conditions of this Agreement shall prevail on an interim basis until the first of one of the following occurs: (1) a new Agreement is effectuated or (2) the negotiation window expires without the filing of arbitration petition.
- 8.3 Either Party may terminate this Agreement in whole or in part in the event of a default of the other Party, provided, however, that the non-defaulting Party notifies the defaulting Party in writing of the alleged default and the defaulting Party does not implement mutually acceptable steps to remedy such alleged default within thirty (30) days after receipt of written notice thereof.

9.0 INDEMNIFICATION

- 9.1 Each Party (the "Indemnifying Party") shall indemnify and hold harmless the other Party ("Indemnified Party") from and against loss, cost, claim liability, damage, and expense (including reasonable attorney's fees) to customers and other third parties for:
 - (1) damage to tangible personal property or for personal injury proximately caused by the negligence or willful misconduct of the Indemnifying Party, its employees, agents or contractors;

(2) claims for libel, slander, or infringement of copyright arising from the material transmitted over the Indemnified Party's facilities arising from the Indemnifying Party's own communications or the communications of such Indemnifying Party's customers; and

(3) claims for infringement of patents arising from the Indemnifying Party's combining the Indemnified Party's facilities or services with, or the using of the Indemnified Party's services or facilities in connection with, facilities or services of the Indemnifying Party.

9.1.1 Neither Party shall accept terms of a settlement that involves or references the other Party in any matter without the other Party's approval.

9.1.2 Except as provided for in this indemnification provision, and notwithstanding any other provision in this Agreement, neither Party, nor its parent, subsidiaries, affiliates, agents, servants, or employees, shall be liable to the other for Consequential Damages (as defined in Section 10.3).

9.2 The Indemnified Party will notify the Indemnifying Party promptly in writing of any claims, lawsuits, or demands by customers or other third parties for which the Indemnified Party alleges that the Indemnifying Party is responsible under this Section, and, if requested by the Indemnifying Party, will tender the defense of such claim, lawsuit or demand.

(1) In the event the Indemnifying Party does not promptly assume or diligently pursue the defense of the tendered action, then the Indemnified Party may proceed to defend or settle said action and the Indemnifying Party shall hold harmless the Indemnified Party from any loss, cost liability, damage and expense.

(2) In the event the Party otherwise entitled to indemnification from the other elects to decline such indemnification, then the Party making such an election may, at its own expense, assume defense and settlement of the claim, lawsuit or demand.

(3) The Parties will cooperate in every reasonable manner with the defense or settlement of any claim, demand, or lawsuit.

(4) Neither Party shall accept the terms of a settlement that involves or references the other Party in any matter without the other Party's approval.

10.0 LIMITATION OF LIABILITY

- 10.1 No liability shall attach to either Party, its parents, subsidiaries, affiliates, agents, servants, employees, officers, directors, or partners for damages arising from errors, mistakes, omissions, interruptions, or delays in the course of establishing, furnishing, rearranging, moving, terminating, changing, or providing or failing to provide services or facilities (including the obtaining or furnishing of information with respect thereof or with respect to users of the services or facilities) in the absence of gross negligence or willful misconduct.
- 10.2 Except as otherwise provided in Section 9.0, no Party shall be liable to the other Party for any loss, defect or equipment failure caused by the conduct of the first Party, its agents, servants, contractors or others acting in aid or concert with that Party, except in the case of gross negligence or willful misconduct.
- 10.3 Except as otherwise provided in Section 9.0, no Party shall have any liability whatsoever to the other Party for any indirect, special, consequential, incidental or punitive damages, including but not limited to loss of anticipated profits or revenue or other economic loss in connection with or arising from anything said, omitted or done hereunder (collectively, "Consequential Damages"), even if the other Party has been advised of the possibility of such damages.

11.0 DISCLAIMER

EXCEPT AS OTHERWISE PROVIDED HEREIN, NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR INTENDED OR PARTICULAR PURPOSE WITH RESPECT TO SERVICES PROVIDED HEREUNDER. ADDITIONALLY, NEITHER PARTY ASSUMES ANY RESPONSIBILITY WITH REGARD TO THE CORRECTNESS OF DATA OR INFORMATION SUPPLIED BY THE OTHER PARTY WHEN THIS DATA OR INFORMATION IS ACCESSED AND USED BY A THIRD-PARTY.

12.0 MISCELLANEOUS

12.1 Authorization

12.1.1 Chesnee Telephone Company is a corporation duly organized, validly existing and in good standing under the laws of the State of South Carolina and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, subject to any necessary regulatory approval.

12.1.2 MCImetro Access Transmission Services LLC is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware and has full power and authority to execute and deliver this

Agreement and to perform its obligations hereunder, subject to any necessary regulatory approval.

- 12.2 Compliance. Each Party shall comply with all applicable federal, state, and local laws, rules and regulations applicable to its performance under this Agreement.
- 12.3 Independent Contractors. Neither this Agreement, nor any actions taken by CLEC or Chesnee in compliance with this Agreement, shall be deemed to create an agency or joint venture relationship between CLEC and Chesnee, or any relationship other than that of provider and receiver of services. Neither this Agreement, nor any actions taken by CLEC or Chesnee in compliance with this Agreement, shall create a contractual, agency, or any other type of relationship or third party liability between CLEC and Chesnee end users or others.
- 12.4 Force Majeure. Neither Party shall be liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence including, without limitation, acts of nature, acts of civil or military authority, government regulations, embargoes, epidemics, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, work stoppages, equipment failure, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions or any other circumstances beyond the reasonable control and without the fault or negligence of the Party affected. (collectively, a "Force Majeure Event"). If any Force Majeure condition occurs, the Party delayed or unable to perform shall give immediate notice to the other Party and shall take all reasonable steps to correct the Force Majeure condition. During the pendency of the Force Majeure, the duties of the Parties under this Agreement affected by the Force Majeure condition shall be abated and shall resume without liability thereafter.
- 12.5 Confidentiality
- 12.5.1 Any information such as specifications, drawings, sketches, business information, forecasts, models, samples, data, computer programs and other software and documentation of one Party (a Disclosing Party) that is furnished or made available or otherwise disclosed to the other Party or any of its employees, contractors, or agents (its "Representatives" and with a Party, a "Receiving Party") pursuant to this Agreement ("Proprietary Information") shall be deemed the property of the Disclosing Party. Proprietary Information, if written, shall be clearly and conspicuously marked "Confidential" or "Proprietary" or other similar notice, and, if oral or visual, shall be confirmed in writing as confidential by the Disclosing Party to the Receiving Party within ten (10) days after disclosure. Unless Proprietary Information was previously known by the Receiving Party free of any obligation to keep it confidential, or has been or is subsequently made public by an act not attributable to the Receiving Party, or is explicitly agreed in writing not to be regarded as confidential, such information: (i) shall be held in confidence by each Receiving Party; (ii) shall be disclosed to only those persons who have a

need for it in connection with the provision of services required to fulfill this Agreement and shall be used by those persons only for such purposes; and (iii) may be used for other purposes only upon such terms and conditions as may be mutually agreed to in advance of such use in writing by the Parties. Notwithstanding the foregoing sentence, a Receiving Party shall be entitled to disclose or provide Proprietary Information as required by any governmental authority or applicable law, upon advice of counsel, only in accordance with Section 12.5.2 of this Agreement.

12.5.2 If any Receiving Party is required by any governmental authority or by applicable law to disclose any Proprietary Information, then such Receiving Party shall provide the Disclosing Party with written notice of such requirement as soon as possible and prior to such disclosure. The Disclosing Party may then seek appropriate protective relief from all or part of such requirement. The Receiving Party shall use all commercially reasonable efforts to cooperate with the Disclosing Party in attempting to obtain any protective relief which such Disclosing Party chooses to obtain.

12.5.3 In the event of the expiration or termination of this Agreement for any reason whatsoever, each Party shall return to the other Party or destroy all Proprietary Information and other documents, work papers and other material (including all copies thereof) obtained from the other Party in connection with this Agreement and shall use all reasonable efforts, including instructing its employees and others who have had access to such information, to keep confidential and not to use any such information, unless such information is now, or is hereafter disclosed, through no act, omission or fault of such Party, in any manner making it available to the general public.

- 12.6 Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of South Carolina without regard to its conflict of laws principles and, when applicable, in accordance with the requirements of the Act and the FCC's implementing regulations.

The terms and conditions of this Agreement shall be subject to any and all applicable laws, rules, regulations or guidelines that subsequently may be adopted by any federal, state, or local government authority. Any modifications to this Agreement occasioned by such change shall be effected through good faith negotiations. If the parties are unable to agree to modifications incorporating such change of law within ninety (90) days of the request, either party may seek resolution from the Commission or the FCC, as appropriate.

- 12.7 Taxes. Each Party purchasing services hereunder shall pay or otherwise be responsible for all federal, state, or local sales, use, excise, gross receipts, transaction or similar taxes, fees or surcharges levied against or upon such purchasing Party (or the providing Party when such providing Party is expressly permitted by law to pass along to the purchasing Party such taxes, fees or

surcharges), except for any tax on either Party's corporate existence, status or income. Whenever possible, these amounts shall be billed as a separate item on the invoice. To the extent a sale is claimed to be for resale tax exemption, the purchasing Party shall furnish the providing Party a proper resale tax exemption certificate as authorized or required by statute or regulation by the jurisdiction providing said resale tax exemption. Failure to timely provide such sale for resale tax exemption certificate will result in no exemption being available to the purchasing Party.

12.8 Assignment. This Agreement shall be binding upon the Parties and shall continue to be binding upon all such entities regardless of any subsequent change in their ownership. Each Party covenants that, if it sells or otherwise transfers its facilities used to provide services under this Agreement to a third party, unless the Party which is not the subject of the sale or transfer reasonably determines that the legal structure of the transfer vitiates any such need, it will require as a condition of such transfer that the transferee agree to be bound by this Agreement with respect to services provided over the transferred facilities. Except as provided in this paragraph, neither Party may assign or transfer (whether by operation of law or otherwise) this Agreement (or any rights or obligations hereunder) to a third party without the prior written consent of the other Party which consent will not be unreasonably withheld; provided that either Party may assign this Agreement to a corporate Affiliate or an entity under its common control or an entity acquiring all or substantially all of its assets or equity by providing prior written notice to the other Party of such assignment or transfer. Any attempted assignment or transfer that is not permitted is void ab initio. Without limiting the generality of the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the Parties' respective successors and assigns.

12.9 Non-Waiver. Failure of either Party to insist on performance of any term or condition of this Agreement or to exercise any right or privilege hereunder shall not be construed as a continuing or future waiver of such term, condition, right or privilege

12.10 Notices.

12.10.1 Notices given by one Party to the other Party under this Agreement shall be in writing and shall be: (i) delivered personally; (ii) delivered by express delivery service; (iii) mailed, certified mail, return receipt requested to the following addresses of the Parties:

<p>To: CLEC</p> <p>MCImetro Access Transmission Services LLC Attn: Director – Carrier Alliance Management 22001 Loudoun County Parkway, G2-3-614 Ashburn, VA 20147</p> <p>With a copy to: MCImetro Access Transmission Services LLC Director – Technology & Network Law Room E1-3-605 Ashburn, VA USA 20147</p>	<p>To: Chesnee</p> <p>Chesnee Telephone Company, Inc. 208 South Alabama Avenue Chesnee, SC 29323</p> <p>Attn: Annette Williams</p>
<p>Billing Notices for nonpayment and default for nonpayment should be emailed along with copy of bill at issue (either emailed or faxed at same time as email) to: Earl Hurter Sr. Manager - Line Cost Management 312-260-3599 Fax: 312-470-5611 email: earl.hurter@verizonbusiness.com</p>	<p>With a copy to:</p> <p>McNAIR LAW FIRM, P.A. P.O. Box 11390 Columbia, SC 29211</p> <p>Attn: Margaret M. Fox</p>

or to such other address as either Party shall designate by proper notice. Notices will be deemed given as of the earlier of: (i) the date of actual receipt; (ii) the next business day when notice is sent *via* overnight express mail or personal delivery; (iii) three (3) days after mailing in the case of certified U.S. mail.

12.10.2 In order to facilitate trouble reporting and to coordinate the repair of transport facilities, trunks, and other inter-network connection arrangements provided by the Parties under this Agreement, each Party has established contact(s) available 24 hours per day, seven days per week, at telephone numbers to be provided by the Parties. Each Party shall call the other at these respective telephone numbers to report trouble with connection facilities, trunks, and other inter-network connection arrangements, to inquire as to the status of trouble ticket numbers in progress, and to escalate trouble resolution.

24-Hour Network Management Contact:

For Chesnee:

NOC/Repair Number: 864-461-8803

For CLEC:

NOC/Repair Number: To be provided

Before either Party reports a trouble condition, it must first use its reasonable efforts to isolate the trouble to the other Party's facilities, service, and arrangements. Each Party will advise the other of any critical nature of the inoperative facilities, service, and arrangements and any need for expedited clearance of trouble. In cases where a Party has indicated the essential or critical need for restoration of the facilities, services or arrangements, the other party shall use its best efforts to expedite the clearance of trouble.

12.11 Publicity and Use of Trademarks or Service Marks. Neither Party nor its subcontractors or agents shall use the other Party's trademarks, service marks, logos or other proprietary trade dress in any advertising, press releases, publicity matters or other promotional materials without such Party's prior written consent.

12.12 Joint Work Product. This Agreement is the joint work product of the Parties and has been negotiated by the Parties and/or their respective counsel and shall be fairly interpreted in accordance with its terms. In the event of any ambiguities, no inferences shall be drawn against either Party.

12.13 No Third Party Beneficiaries; Disclaimer of Agency. This Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein expressed or implied shall create or be construed to create any third-party beneficiary rights hereunder. Except for provisions herein expressly authorizing a Party to act for another, nothing in this Agreement shall constitute a Party as a legal representative or agent of the other Party; nor shall a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against, in the name of, or on behalf of the other Party, unless otherwise expressly permitted by such other Party. Except as otherwise expressly provided in this Agreement, no Party undertakes to perform any obligation of the other Party, whether regulatory or contractual, or to assume any responsibility for the management of the other Party's business.

12.14 No License. No license under patents, copyrights, or any other intellectual property right (other than the limited license to use consistent with the terms, conditions and restrictions of this Agreement) is granted by either Party, or shall be implied or arise by estoppel with respect to any transactions contemplated under this Agreement.

12.15 Technology Upgrades. Nothing in this Agreement shall limit either Parties' ability to upgrade its network through the incorporation of new equipment, new software or otherwise, provided it is to industry standards, and that the Party initiating the upgrade shall provide the other Party written notice at least ninety (90) days prior to the incorporation of any such upgrade in its network which will materially impact the other Party's service. Each Party shall be solely responsible for the cost and effort of accommodating such changes in its own network.

12.16 Entire Agreement. The terms contained in this Agreement and any Schedules, Exhibits, tariffs and other documents or instruments referred to herein are hereby incorporated into this Agreement by reference as if set forth fully herein, and constitute the entire agreement between the Parties with respect to the subject matter hereof, superseding all prior understandings, proposals and other communications, oral or written. Neither Party shall be bound by any preprinted terms additional to or different from those in this Agreement that may appear subsequently in the other Party's form documents, purchase orders, quotations, acknowledgments, invoices or other communications. This Agreement may not be amended, modified, or supplemented, nor may any obligations hereunder be waived by a Party, except by written instrument signed by both Parties.

13.0 REGULATORY

The Parties agree that their entrance into this Agreement is without prejudice to any positions they may have taken previously, or may take in future, in any legislative, regulatory, judicial or other public forum addressing any matters, including matters related to the same types of arrangements covered in this Agreement.

14.0 DISPUTE RESOLUTION

Except as provided under Section 252 of the Act with respect to the approval of this Agreement by the Commission, the Parties desire to resolve disputes arising out of or relating to this Agreement without litigation. Accordingly, except for action seeking a temporary restraining order or an injunction related to the purposes of this Agreement, or suit to compel compliance with this dispute resolution process, the Parties agree to use the following dispute resolution procedures with respect to any controversy or claim arising out of or relating to this Agreement or its breach.

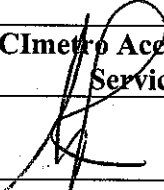
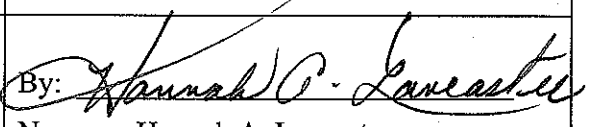
14.1 Informal Resolution of Disputes. At the written request of a Party, each Party will appoint a knowledgeable, responsible representative, empowered to resolve such dispute, to meet and negotiate in good faith to resolve any dispute arising out of or relating to this Agreement. The location, format, frequency, duration, and conclusion of these discussions shall be left to the discretion of the representatives. Upon agreement, the representatives may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussions and correspondence among the representatives for purposes of these negotiations shall be treated as Confidential Information developed for purposes of settlement, exempt from discovery, and shall not be admissible in any arbitration or in any lawsuit without the concurrence of all Parties. Documents identified in or provided with such communications, which are not prepared for purposes of the negotiations, are not so exempted and may, if otherwise discoverable, be discovered or otherwise admissible, be admitted in evidence, in the arbitration or lawsuit.

14.2 Formal Dispute Resolution. If negotiations fail to produce an agreeable resolution within ninety (90) days, then either Party may proceed with any remedy available to it

pursuant to law, equity or agency mechanisms; provided, that upon mutual agreement of the Parties such disputes may also be submitted to binding arbitration. In the case of an arbitration, each Party shall bear its own costs. The Parties shall equally split the fees of any mutually agreed upon arbitration procedure and the associated arbitrator.

14.3 Continuous Service. The Parties shall continue providing services to each other during the pendency of any dispute resolution procedure, and the Parties shall continue to perform their payment obligations (including making payments in accordance with this Agreement).

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the dates listed below.

MCImetro Access Transmission Services LLC	Chesnee Telephone Company
By: 	By: 
Name: <u>Scott C. Pierce</u>	Name: <u>Hannah A. Lancaster</u>
Title: <u>Executive Director</u>	Title: <u>President / General Manager</u>
Title: <u>Alliance Management</u>	
Date: <u>10/2/07</u>	Date: <u>October 18, 2007</u>

APPENDIX A

1. EAC Traffic

The following is the list of EAC Exchanges in accordance with Chesnee's General Subscriber Service Tariff:

Chesnee Exchanges:

BellSouth Exchanges:

Chesnee	Spartanburg
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Tuesday, July 17, 2007

Hannah Lancaster
Chesnee Telephone Company ("Chesnee")
208 South Alabama Avenue,
P.O. Box 430,
Chesnee, SC 29323

Per a request from Lans Chase, I am sending you this correspondence.

As part of the process that began with MCI's successful emergence from bankruptcy in the spring of 2004, during the fourth quarter of 2005 MCI implemented certain steps to simplify and streamline the MCI corporate family. Subsequently, in early 2006, Verizon completed its acquisition of the MCI parent company (at the time, MCI, Inc., now known as MCI, LLC; transaction described in further detail below), and announced the launch of the "Verizon Business" business unit. This letter provides an overview of particular transactions in that regard. For purposes of this letter, "fMCI" is used to denote networks, operations, or activities that were formerly part of the MCI corporate family (which to a large degree are now part of the Verizon Business business unit, described in more detail below).

Selected MCI Internal Fourth Quarter 2005 Reorganization Activities

- On or about November 30, 2005, Intermedia Communications LLC (formerly known as Intermedia Communications, Inc.) was merged into its affiliate, MCImetro Access Transmission Services LLC, a Delaware limited liability company and wholly-owned indirect subsidiary of MCI, LLC (formerly MCI, Inc.). Effective on or about December 1, 2005, MCImetro Access Transmission Services LLC is the legal successor-in-interest under, and the successor party to, any contracts or other agreements that you have with Intermedia Communications LLC (formerly known as Intermedia Communications, Inc.).
- On or about December 31, 2005, the operating assets of MCI Network Services, Inc., were assigned to its wholly-owned subsidiary, MCI Communications Services, Inc. Both MCI Network Services, Inc., and MCI Communications Services, Inc., are, and will remain, wholly-owned subsidiaries within the corporate family of MCI, LLC (formerly MCI, Inc.). As a result, effective on or about December 31, 2005, any contracts or other agreements that you have with MCI Network Services, Inc., were assigned to MCI Communications Services, Inc.

MCImetro Access Transmission Services LLC (on its own and through its subsidiaries MCImetro Access Transmission Services of Virginia, Inc., and MCImetro Access Transmission Services of Massachusetts, Inc.) owns and operates fMCI's domestic US local telecommunications infrastructure including fiber networks and local telephone switches, other network infrastructure, and real and personal property.

MCI Communications Services, Inc., owns and operates fMCI's domestic US long distance, data, and Internet operations, including fiber networks, routers, switches, other network infrastructure, and real and personal property.



Acquisition of MCI by Verizon and Creation of Verizon Business business unit

On January 6, 2006, Verizon and MCI closed on the merger of the two companies. On that day, MCI, Inc. was merged with and into a wholly-owned subsidiary of Verizon Communications Inc. (Verizon), with the subsidiary changing its name to MCI, LLC. No other changes to the legacy-MCI legal entity structure were effected by the merger.

"Verizon Business" is the name of the new Verizon business unit encompassing business and government customers and related functions of the former MCI as well as similar businesses that previously were part of the Verizon domestic telecom business unit, including the former Verizon Enterprise Solutions Group.

Verizon now operates three network-based businesses: Verizon Business; Verizon Wireless; and Verizon domestic telecom.

Please note that "Verizon Business" is not a legal entity. It is the name of the newly-created business unit that includes many legacy MCI legal entities as well as several former Verizon Domestic Telecom legal entities.

In connection with the creation of the Verizon Business business unit, several legacy MCI companies have filed doing-business-as registrations in the states in which they operate, as follows:

- MCI Communications Services, Inc. d/b/a Verizon Business Services
- MCImetro Access Transmission Services LLC d/b/a Verizon Access Transmission Services
- MCImetro Access Transmission Services of Massachusetts, Inc. d/b/a Verizon Access Transmission Services of Massachusetts
- MCImetro Access Transmission Services of Virginia, Inc. d/b/a Verizon Access Transmission Services of Virginia

Conclusion

This letter is being provided for informational purposes only. It does not require any action on your part. Any requirement to adjust underlying aspects of your business relationship with particular legal entities, if any, will be communicated to you directly through other means.

If you have any questions about the contents of this letter, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Mark Turner", with a long, sweeping flourish extending from the end of the name.

Mark Turner
Manager Interconnection
209-751-4024